## REMARKS

Claims 1-9 have been subject to a double patent rejection. Claims 1-2 and 6 have been rejected under 35 USC §102 over of Mills. Claims 3-5 and 7-9 have been rejected under 35 USC 103 over Mills in view of Hershbarger.

Without agreeing with the double patent rejection as to all claims, a terminal disclaimer has been filed to render the double patent rejection moot.

## 35 USC §102 Rejection Over Mills

Claim 2 has been canceled and the limitation of claim 2 added to claim 1. It is respectfully submitted that independent claim 1 is patentably distinct from Mills (along with all other pending claims which all depend from claim 1).

As a point of clarity, as provided within the applicants' specification powered side circuitry may be provided on one side of an isolation barrier and phone line side circuitry may be provided on the other side of the isolation barrier. [Figure 1] Generally powered side circuitry is powered circuitry such as, for example, a modem in a user's computer which is powered from a public power network. In such an example, phone line side circuitry is the circuitry on the other side of the isolation barrier, such as for example the circuitry between the isolation barrier and telephone line.

It is respectfully noted that the Office Action cites Figure 3 of Mills identifying the powered side circuitry to be block 210 and the phone line side circuitry to be block 208 of Mills. [Office Action, p. 5] In the last paragraph of page 5 the Office Action appears to typographically mistakenly switch the identity of blocks 210 and 208, for the purpose of this response it will be assumed that the Office Action intends to identify block 208 as the phone line side circuitry.

It is noted that block 208 within Mills is identified as "a POTS connector 208." [Mills, Col. 9, line 42]. Thus, block 208 is identified as merely the physical connector to Plain Old Telephone (POTS) wires. As amended, claim 1 includes "at least a portion of said encode or decode circuitry being within said phone line side circuitry" and the phone line side circuitry being located between the isolation barrier and the phone line. There is no teaching or suggestion in Mills for block 208 to include anything but merely a connector. In fact, there is teaching or suggestion in Mills for any portion of the encode and decode circuitry to be located on the phone line side of an isolation barrier.

It is respectfully asserted that all claims are in condition for allowance and favorable action is requested.

## **CONCLUSION**

Should any fees under 37 CFR 1.16-1.21 be required for any reason relating to the enclosed materials, the Commissioner is authorized to deduct such fees from Deposit\*. Account No. 10-1205/SILA:057C1.

The examiner is invited to contact the undersigned at the phone number indicated below with any questions or comments, or to otherwise facilitate expeditious and compact prosecution of the application.

Respectfully submitted,

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